

2018
**NOTICE OF
ANNUAL
MEETING**

MONDAY 12 NOVEMBER 2018

Commencing at 10am
(New Zealand time)

**FONTERRA
SHAREHOLDERS'
FUND.**



Dairy for life

NOTICE OF ANNUAL MEETING

Notice is hereby given that the 2018 Annual Meeting of unit holders of the Fonterra Shareholders' Fund will be held

WHEN

Monday 12 November 2018
Commencing at 10am
(New Zealand time)

WHERE

Fonterra's Auckland Office
109 Fanshawe Street
Auckland Central

ITEMS OF BUSINESS

- A. Welcome and Introduction
- B. Fonterra Shareholders' Fund Manager's Chairman's Address
- C. Address by the Chairman of Fonterra Co-operative Group Ltd
- D. Address by Chief Executive Officer of Fonterra Co-operative Group Ltd
- E. Unit holder discussion
- F. Resolution:
Unit holders will be asked to consider and, if thought appropriate, to pass the following ordinary resolution:
 1. To elect retiring director John Shewan as a director of the Manager of the Fund.

John Shewan retires by rotation from office at the Annual Meeting and, being eligible, offers himself for re-election. The resolution above is to be considered as an ordinary resolution and is required to be passed by a simple majority of the votes of those unit holders entitled to vote and voting on the resolution. John Shewan is an 'Independent Director' for the purpose of the NZX Main Board Listing Rules.

EXPLANATORY NOTES

An Explanatory Note on the director offering himself for election is set out on the following page.

ATTENDANCE

All unit holders are entitled to attend and vote at the Annual Meeting or to appoint a proxy or representative to attend and vote on their behalf.

PROXIES

A proxy need not be a unit holder, and may be appointed by completing the form accompanying this Notice of Annual Meeting or online at www.investorvote.co.nz. The appointment of a proxy or representative does not preclude a unit holder from attending and voting at the Annual Meeting. You may appoint the Chairman of the Annual Meeting or any other director of the Fund as your proxy.

ANDREW CORDNER

Company Secretary
Auckland, New Zealand
12 October 2018

FSF Management Company Ltd (Australian Registered Business Number 190 539 935, incorporated in New Zealand) is the Manager of the Fonterra Shareholders' Fund.

IMPORTANT DATES

These dates are given in New Zealand time.

Friday 9 November 2018, 5pm

Record Date for voting entitlements for the Annual Meeting

Saturday 10 November 2018, 10am

Latest time for receipt of Proxy/Voting forms or for online proxy appointments

Monday 12 November 2018, 10am

Annual Meeting

QUESTIONS

Unit holders may submit questions to the Board of the Manager ahead of the Annual Meeting. Questions should be relevant to matters at the Annual Meeting, including matters arising from the financial statements or general questions regarding the performance of the Fund or Fonterra.

The Manager has a discretion on which questions will be addressed at the Annual Meeting.

Please submit questions by email to Investor.Relations@fonterra.com. Please write 'Questions from Unit Holders' in the subject line of the email.

There will also be an opportunity for unit holders and proxy holders to ask questions at the Annual Meeting.

LETTER FROM THE CHAIRMAN

DEAR UNIT HOLDERS

On behalf of the Board of Directors I am pleased to invite you to the sixth Annual Meeting of unit holders of the Fonterra Shareholders' Fund, commencing at 10am NZT on Monday 12 November 2018 at Fonterra's offices, 109 Fanshawe Street, Auckland Central.

At the Annual Meeting, the Fund Board will be joined by John Monaghan, Chairman of Fonterra, and Miles Hurrell, Chief Executive Officer of Fonterra. I will present an overview of the sixth year of the Fund and John and Miles will discuss Fonterra's performance over the past year. Unit holders will also have the opportunity to ask questions about the operations and management of Fonterra.

At the meeting, unit holders will be asked to vote for my re-election as a director. I was originally appointed to the Board of the Manager by Fonterra when the fund was established. By rotation, I will stand down as an Independent Director and stand for re-election. More details are in the sidebar to the right.

If you cannot attend the meeting and wish to appoint a proxy to vote on your behalf, you may direct your proxy to vote for or against the resolution, to abstain from voting, or to exercise their discretion as to how to vote.

If you would like to appoint a proxy, complete and lodge the enclosed Proxy/Voting form (either by post or fax) with Computershare Investor Services. Alternatively, you can appoint a proxy online by going to www.investorvote.co.nz – you will need your CSN holder number and postcode (or country of residence if outside New Zealand) to do this. If you receive multiple Proxy/Voting forms, please complete one Proxy/Voting form in respect of each unit holding.

All Proxy/Voting forms need to reach Computershare by 10am NZT on Saturday 10 November 2018.

For those unit holders who are attending the Annual Meeting, please bring the enclosed Proxy/Voting form, or your CSN holder number with you to assist with your registration.

You are invited to join the Fund Board and Fonterra senior management for light refreshments at the conclusion of the Annual Meeting.

I look forward to seeing you then.



JOHN SHEWAN
CHAIRMAN
FONTERRA SHAREHOLDERS' FUND

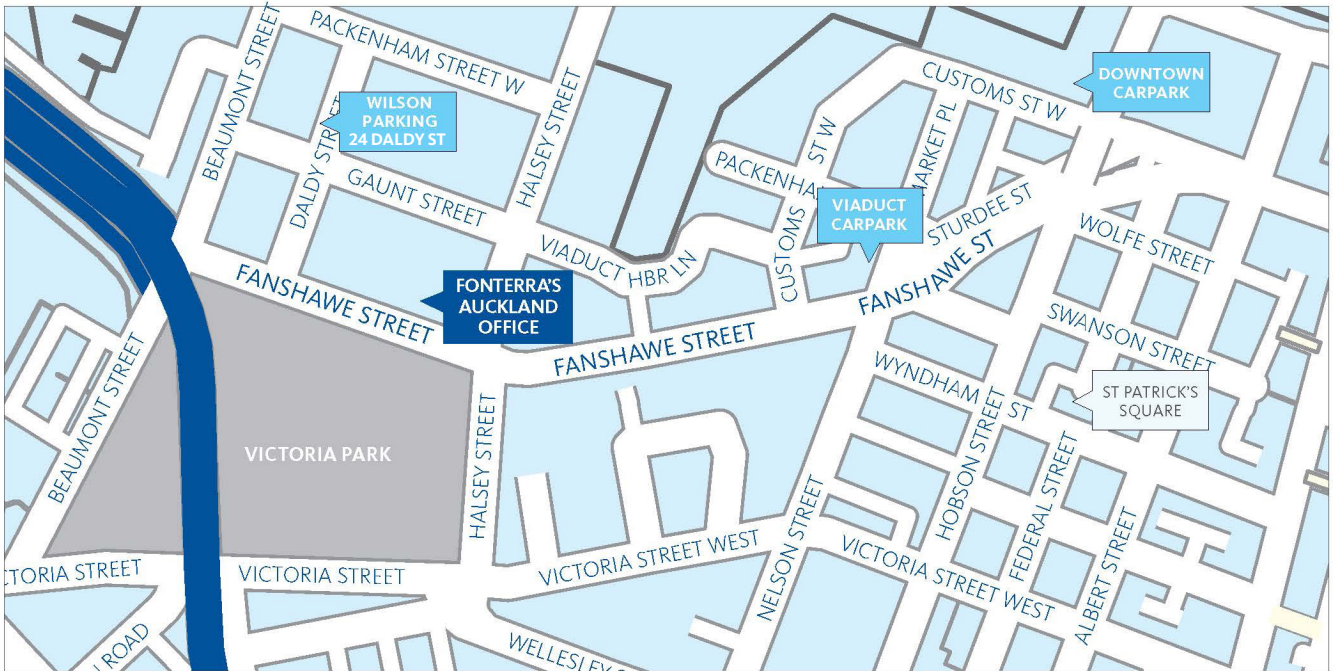
EXPLANATORY NOTE

RESOLUTION 1: ELECTION OF DIRECTOR



JOHN SHEWAN
CNZM BCA (Hons)
FCA Independent Director appointed
by unit holders

John Shewan was appointed chairman of the FSF board in November 2012. He is an independent director, and in addition to FSF currently serves on the boards of Munich Reinsurance Australasia, China Construction Bank and the Wellington Regional Stadium Trust, which he chairs. He is also an Adjunct Professor in the Business School at Victoria University.



PROCEDURAL NOTES

VOTING ENTITLEMENTS

Unit holders that will be entitled to vote on the resolutions at the Annual Meeting are those who are unit holders of Fonterra Shareholders' Fund at 5pm NZT on Friday 9 November 2018.

VOTING PROCESS

To vote, unit holders can either:

ATTEND IN PERSON

If you wish to attend the Annual Meeting please bring the enclosed Proxy/Voting form, or your CSN holder number with you to the meeting.

APPOINT A PROXY TO VOTE

If you do not propose to attend the Annual Meeting, you can appoint a proxy to attend the meeting and vote on your behalf. The Chairman of the meeting or any other director of the Fund is willing to act as a proxy for any unit holder who wishes to appoint him or her for that purpose. To do this, enter 'the Chairman' or the name of your proxy in the space provided on the Proxy/Voting form (further details are provided on the form).

To appoint a proxy, you need to do one of the following:

ONLINE

Lodge your proxy online by going to www.investorvote.co.nz. You will need your CSN Holder number and postcode (or country of residence if outside New Zealand). If you do not have your CSN holder number, please contact Computershare at enquiry@computershare.co.nz or +64 9 488 8777 (international).

FAX

You can fax your Proxy/Voting form to +64 9 488 8787.

MAIL

Return the Proxy/Voting form by mail to the Share Registrar, Computershare Investor Services Limited, Private Bag 92119, Auckland 1142, using the Freepost envelope provided. For your proxy to be effective it must be received by 10am NZT on Saturday 10 November 2018.

WEBCAST

The Annual Meeting will be webcast online. To view the webcast, go to www.fonterra.com/investor

MEETING VENUE

Fonterra's Auckland Office

ADDRESS

109 Fanshawe Street,
Auckland Central, New Zealand

PARKING

Parking is available at public car parks in the vicinity of the venue including Wilson Parking at 24 Daldy Street, and Viaduct car park on Sturdee Street.

The addresses of the manager of the Fund and the supervisor are as follows:

FSF MANAGEMENT COMPANY LIMITED

109 Fanshawe Street, Auckland 1010,
New Zealand

Attention: *Company Secretary*

GUARDIAN TRUST COMPANY LIMITED

Level 6, 191 Queen Street, Auckland
1010, New Zealand

Attention: *Relationship Manager
Corporate Trusts*